

2011 DRAFTING REQUEST**Assembly Amendment (AA-ASA1-AB40)**Received: **06/13/2011**Received By: **chanaman**Wanted: **As time permits**

Companion to LRB:

For: **Legislative Fiscal Bureau**By/Representing: **Pope**

May Contact:

Drafter: **chanaman**Subject: **State Govt - miscellaneous**
State Govt - procurement

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

LFB:.....Pope -

Topic:

Exempt UW from cost-benefit and raise threshold for bidding

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	chanaman 06/13/2011	kfollett 06/13/2011		_____			
/1	chanaman 06/13/2011	kfollett 06/13/2011	rschluet 06/13/2011	_____	ggodwin 06/13/2011		
/2			rschluet 06/13/2011	_____	mbarman 06/13/2011		

FE Sent For:

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/1		12kf 6/13	rschluet 06/13/2011	_____	ggodwin 06/13/2011		

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/?	chanaman	11 kif 6/13	 6/13	_____ _____			

FE Sent For:

<END>



State of Wisconsin
2011 - 2012 LEGISLATURE

Now



LRBb1124/7
CMH: k f +
cjs

LFB:.....Pope - Exempt UW from cost-benefit and raise threshold for bidding

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2011 ASSEMBLY BILL 40

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 63, line 15: after that line insert:

3 **"SECTION 237g.** 16.705 (2) of the statutes is amended to read:

4 16.705 (2) The department shall promulgate rules for the procurement of

5 contractual services by the department and its designated agents, including but not

6 limited to rules prescribing approval and monitoring processes for contractual

7 service contracts, a requirement for agencies, except for the University of Wisconsin

8 System, to conduct a uniform cost-benefit analysis of each proposed contractual

9 service procurement involving an estimated expenditure of more than \$25,000 in

1 accordance with standards prescribed in the rules, and a requirement for agencies
 2 to review periodically, and before any renewal, the continued appropriateness of
 3 contracting under each contractual services agreement involving an estimated
 4 expenditure of more than \$25,000. Each officer requesting approval to engage any
 5 person to perform contractual services shall submit to the department written
 6 justification for such contracting which shall include a description of the contractual
 7 services to be procured, justification of need, justification for not contracting with
 8 other agencies, a specific description of the scope of contractual services to be
 9 performed, and justification for the procurement process if a process other than
 10 competitive bidding is to be used. The department may not approve any contract for
 11 contractual services unless it is satisfied that the justification for contracting
 12 conforms to the requirements of this section and ss. 16.71 to 16.77. *stat*

History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33 ss. 201, 9160; 2005 a. 89, 142, 431; 2009 a. 28, 136.

13 **2.** Page 66, line 2: after that line insert:

14 **3.** Page 1508, line 3: after that line insert:

15 **4.** Page 1531, line 5: after "~~16.705~~" insert "~~16.705~~(2)". *and*

16 **5.** Page 1531, line 15: after "(2) (f)," insert "16.75 (1) (b) and (2m) (b),".

17 **6.** Page 1531, line 16: after "(f) 2.," insert "16.75 (1) (b) 2. and (2m) (b) 2".

18 **7.** Page 1531, line 17: delete "SECTION" and substitute "SECTIONS".

19 **8.** Page 1531, line 17: after "(1c)" insert "and 9301 (3)". *f*

20 (END)

ASSEMBLY BILL 22

1 not comprise more than 25 percent of the total factors used to determine the lowest
2 responsible bidder.

3 SECTION 3. 16.75 (1) (b) of the statutes is renumbered 16.75 (1) (b) 1. and
4 amended to read:

5 16.75 (1) (b) 1. ~~When~~ Except as provided in subd. 2., when the estimated cost
6 exceeds \$25,000, the department shall invite bids to be submitted. The

7 3. If subd. 1. or 2. requires bids to be solicited, the department shall either shall
8 solicit sealed bids to be opened publicly at a specified date and time, or shall solicit
9 bidding by auction to be conducted electronically at a specified date and time.
10 Whenever bids are invited, due notice inviting bids shall be published as a class 2
11 notice, under ch. 985 or posted on the Internet at a site determined or approved by
12 the department. The bid opening or auction shall occur at least 7 days after the date
13 of the last insertion of the notice or at least 7 days after the date of posting on the
14 Internet. The notice shall specify whether sealed bids are invited or bids will be
15 accepted by auction, and shall give a clear description of the materials, supplies,
16 equipment, or contractual services to be purchased, the amount of any bond, share
17 draft, check, or other draft to be submitted as surety with the bid or prior to the
18 auction, and the date and time that the public opening or the auction will be held.

19 SECTION 4. 16.75 (1) (b) 2. of the statutes is created to read:

20 16.75 (1) (b) 2. If the Board of Regents of the University of Wisconsin System
21 is purchasing food and the food is produced within a 100-mile radius of the site to
22 which the food will be delivered, the person who produced the food or who distributes
23 the food may receive the award without submitting a bid if the estimated cost does
24 not exceed \$50,000.

25 SECTION 5. 16.75 (2m) (a) of the statutes is amended to read:

or the University of Wisconsin-Madison is making the purchase, bids are not required

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246g

ASSEMBLY BILL 22

SECTION 5

1 16.75 (2m) (a) Except as otherwise required by law, if the secretary or his or
 2 her designee determines that the use of competitive sealed bidding is not practicable
 3 or not advantageous to this state, the department may solicit competitive sealed
 4 proposals. Each request for competitive sealed proposals shall state the relative
 5 importance of price and other evaluation factors. If the Board of Regents of the
 6 University of Wisconsin-System is purchasing food, factors other than price may not
 7 comprise more than 25 percent of the total factors used to determine the most
 8 competitive sealed proposal.

9 SECTION 6. 16.75 (2m) (b) of the statutes is renumbered 16.75 (2m) (b) 1. and
 10 amended to read: 2979

11 16.75 (2m) (b) 1. ~~When~~ Except as provided in subd. 2., when the estimated cost
 12 exceeds \$25,000, the department may invite competitive sealed proposals by
 13 publishing.

14 3. If competitive sealed proposals are invited, the department shall publish a
 15 class 2 notice under ch. 985 or by posting post notice on the Internet at a site
 16 determined or approved by the department. The notice shall describe the materials,
 17 supplies, equipment, or contractual services to be purchased, the intent to make the
 18 procurement by solicitation of proposals rather than by solicitation of bids, any
 19 requirement for surety and the date the proposals will be opened, which shall be at
 20 least 7 days after the date of the last insertion of the notice or at least 7 days after
 21 the date of posting on the Internet.

22 SECTION 7. 16.75 (2m) (b) 2. of the statutes is created to read: 2989

23 16.75 (2m) (b) 2. If the Board of Regents of the University of Wisconsin-System
 24 is purchasing food and the food is produced within a 100-mile radius of the site to
 25 which the food will be delivered, the person who produced that food or who

or the University of Wisconsin-Madison is making
 the purchased, competitive sealed proposals are
 not required

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 2-14
 cont.

2

ASSEMBLY BILL 22

distributes that food may receive the award without submitting a competitive sealed proposal if the estimated cost does not exceed \$50,000.

SECTION 8. 16.75 (3n) of the statutes is created to read:

16.75 (3n) If the Board of Regents of the University of Wisconsin-System is purchasing food and the award would otherwise be required to go to the low bid or most advantageous proposal, the board may purchase the food from a person who submits a qualified responsible competitive bid that is no more than 20 percent higher than the apparent low bid or submits a competitive proposal that is no more than 20 percent higher than the most advantageous proposal if the food was produced within a 100-mile radius of the site to which the food will be delivered.

SECTION 9. Initial applicability.

(1) This act first applies with respect to bids or proposals solicited on the effective date of this subsection.

(END)

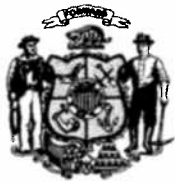
(CS)

BIDDING THRESHOLD FOR UNIVERSITY OF WISCONSIN SYSTEM = \$50,000

(The renumbering of section 16.75 (1)(b) and (2m)(b) of the statutes and the creation of section 16.75 (1)(b)2. and (2m)(b)2. of the statutes

(1) first

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State of Wisconsin
2011 - 2012 LEGISLATURE

Ton 6/4/11



LRBb1124/Y
CMH:kjf&cjs:rs

LFB:.....Pope - Exempt UW from cost-benefit and raise threshold for bidding

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,


TO 2011 ASSEMBLY BILL 40


1 At the locations indicated, amend the substitute amendment as follows:

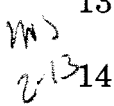
2 **1.** Page 63, line 15: after that line insert:

3 **"SECTION 237g.** 16.705 (2) of the statutes is amended to read:

4 16.705 (2) The department shall promulgate rules for the procurement of
5 contractual services by the department and its designated agents, including but not
6 limited to rules prescribing approval and monitoring processes for contractual
7 service contracts, a requirement for agencies, except for the University of Wisconsin
8 System, to conduct a uniform cost-benefit analysis of each proposed contractual
9 service procurement involving an estimated expenditure of more than \$25,000 in

1 accordance with standards prescribed in the rules, and a requirement for agencies
2 to review periodically, and before any renewal, the continued appropriateness of
3 contracting under each contractual services agreement involving an estimated
4 expenditure of more than \$25,000. Each officer requesting approval to engage any
5 person to perform contractual services shall submit to the department written
6 justification for such contracting which shall include a description of the contractual
7 services to be procured, justification of need, justification for not contracting with
8 other agencies, a specific description of the scope of contractual services to be
9 performed, and justification for the procurement process if a process other than
10 competitive bidding is to be used. The department may not approve any contract for
11 contractual services unless it is satisfied that the justification for contracting
12 conforms to the requirements of this section and ss. 16.71 to 16.77." 

 13 **2.** Page 66, line 2: after that line insert:

 14 **"SECTION 245g.** 16.75 (1) (b) of the statutes is renumbered 16.75 (1) (b) 1. and
15 amended to read:

16 16.75 (1) (b) 1. When Except as provided in subd. 2., when the estimated cost
17 exceeds \$25,000, the department shall invite bids to be submitted. The

18 3. If subd. 1. or 2. requires bids to be solicited, the department shall either shall
19 solicit sealed bids to be opened publicly at a specified date and time, or shall solicit
20 bidding by auction to be conducted electronically at a specified date and time.
21 Whenever bids are invited, due notice inviting bids shall be published as a class 2
22 notice, under ch. 985 or posted on the Internet at a site determined or approved by
23 the department. The bid opening or auction shall occur at least 7 days after the date
24 of the last insertion of the notice or at least 7 days after the date of posting on the

1 Internet. The notice shall specify whether sealed bids are invited or bids will be
2 accepted by auction, and shall give a clear description of the materials, supplies,
3 equipment, or contractual services to be purchased, the amount of any bond, share
4 draft, check, or other draft to be submitted as surety with the bid or prior to the
5 auction, and the date and time that the public opening or the auction will be held.

6 **SECTION 246g.** 16.75 (1) (b) 2. of the statutes is created to read:

7 16.75 (1) (b) 2. If the Board of Regents of the University of Wisconsin System
8 or the University of Wisconsin-Madison is making the purchase, bids are not
9 required if the estimated cost does not exceed \$50,000.

10 **SECTION 247g.** 16.75 (2m) (b) of the statutes is renumbered 16.75 (2m) (b) 1.
11 and amended to read:

12 16.75 (2m) (b) 1. When Except as provided in subd. 2., when the estimated cost
13 exceeds \$25,000, the department may invite competitive sealed proposals by
14 publishing.

15 3. If competitive sealed proposals are invited, the department shall publish a
16 class 2 notice under ch. 985 or by posting post notice on the Internet at a site
17 determined or approved by the department. The notice shall describe the materials,
18 supplies, equipment, or contractual services to be purchased, the intent to make the
19 procurement by solicitation of proposals rather than by solicitation of bids, any
20 requirement for surety and the date the proposals will be opened, which shall be at
21 least 7 days after the date of the last insertion of the notice or at least 7 days after
22 the date of posting on the Internet.

23 **SECTION 248g.** 16.75 (2m) (b) 2. of the statutes is created to read:

16.75 (2m) (b) 2. If the Board of Regents of the University of Wisconsin System or the University of Wisconsin–Madison is making the purchase, competitive sealed proposals are not required if the estimated cost does not exceed \$50,000.”.

3. Page 1508, line 3: after that line insert:

“(3f) BIDDING THRESHOLD FOR UNIVERSITY OF WISCONSIN SYSTEM. The renumbering of section 16.75 (1) (b) and (2m) (b) of the statutes and the creation of section 16.75 (1) (b) 2. and (2m) (b) 2. of the statutes first applies with respect to bids or proposals solicited on the effective date of this subsection.”. (intro)

4. Page 1531, line 5: after “(e)” insert “(and) (2)”.

5. Page 1531, line 15: after “(2) (f),” insert “16.75 (1) (b) and (2m) (b),”.

6. Page 1531, line 16: after “(f) 2.,” insert “16.75 (1) (b) 2. and (2m) (b) 2.,”.

7. Page 1531, line 17: delete “SECTION” and substitute “SECTIONS”.

8. Page 1531, line 17: after “(1c)” insert “and 9301 (3f)”.

(END)

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1124/2ins
CMH:.....

✓

1 **SECTION 238g.** 16.705 (3) (intro.) of the statutes is amended to read:

2 16.705 (3) (intro.) The director of the office of state employment relations, prior
3 to award, under conditions established by rule of the department, shall review

4 contracts for contractual services in order to ensure that all agencies except of the for

5 University of Wisconsin System:

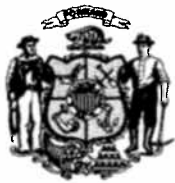
History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33 ss. 201, 9160; 2005 a. 89, 142, 431; 2009 a. 28, 136.

6 **SECTION 239g.** 16.705 (8) (intro.) of the statutes is amended to read:

7 16.705 (8) (intro.) The department shall, annually on or before October 15,
8 submit to the governor, the joint committee on finance, the joint legislative audit
9 committee and the chief clerk of each house of the legislature for distribution to the
10 appropriate standing committees under s. 13.172 (3), a report concerning the
11 number, value and nature of contractual service procurements authorized for each
12 agency, except the University of Wisconsin System, during the preceding fiscal year.

13 The report shall also include, with respect to contractual service procurements by
14 agencies, except the University of Wisconsin System, for the preceding fiscal year:".

History: 1977 c. 196 s. 31; Stats. 1977 s. 16.705; 1981 c. 20; 1983 a. 27; 1985 a. 29 s. 3200 (1); 1985 a. 332 s. 251 (1); 1987 a. 186; 1989 a. 125; 1999 a. 105; 2003 a. 33 ss. 201, 9160; 2005 a. 89, 142, 431; 2009 a. 28, 136.



State of Wisconsin
2011 - 2012 LEGISLATURE



LRBb1124/2
CMH:kjf&cjs:rs

LFB:.....Pope - Exempt UW from cost-benefit and raise threshold for bidding

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2011 ASSEMBLY BILL 40

1 At the locations indicated, amend the substitute amendment as follows:

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4 16.705 (2) The department shall promulgate rules for the procurement of
5 contractual services by the department and its designated agents, including but not
6 limited to rules prescribing approval and monitoring processes for contractual
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24 agency, except the University of Wisconsin System, during the preceding fiscal year.

1 The report shall also include, with respect to contractual service procurements by
2 agencies, except the University of Wisconsin System, for the preceding fiscal year:".

3 **2.** Page 66, line 2: after that line insert:

4 **"SECTION 245g.** 16.75 (1) (b) of the statutes is renumbered 16.75 (1) (b) 1. and
5 amended to read:

6 16.75 (1) (b) 1. ~~When~~ Except as provided in subd. 2., when the estimated cost
7 exceeds \$25,000, the department shall invite bids to be submitted. ~~The~~

8 3. If subd. 1. or 2. requires bids to be solicited, the department ~~shall~~ either shall
9 solicit sealed bids to be opened publicly at a specified date and time, or shall solicit
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13 the department. The bid opening or auction shall occur at least 7 days after the date
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5 ~~publishing.~~

6 3. If competitive sealed proposals are invited, the department shall publish a
7 class 2 notice under ch. 985 or ~~by posting~~ post notice on the Internet at a site
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16 or the University of Wisconsin-Madison is making the purchase, competitive sealed
17 proposals are not required if the estimated cost does not exceed \$50,000.”.

18 **3.** Page 1508, line 3: after that line insert:

19 “(3f) BIDDING THRESHOLD FOR UNIVERSITY OF WISCONSIN SYSTEM. The
20 renumbering of section 16.75 (1) (b) and (2m) (b) of the statutes and the creation of
21 section 16.75 (1) (b) 2. and (2m) (b) 2. of the statutes first applies with respect to bids
22 or proposals solicited on the effective date of this subsection.”.

23 **4.** Page 1531, line 5: after “(e)” insert “, (2), (3) (intro.), and (8) (intro.)”.

24 **5.** Page 1531, line 15: after “(2) (f),” insert “16.75 (1) (b) and (2m) (b),”.

- 6.** Page 1531, line 16: after “(f) 2.,” insert “16.75 (1) (b) 2. and (2m) (b) 2.,”.
- 7.** Page 1531, line 17: delete “SECTION” and substitute “SECTIONS”.
- 8.** Page 1531, line 17: after “(1c)” insert “and 9301 (3f)”.
- (END)**